



DEFENSE FINANCE AND ACCOUNTING SERVICE

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DFAS-HQ/FCD

MEMORANDUM FOR COMMANDING OFFICER, PERSONNEL SUPPORT
ACTIVITY, SAN DIEGO, CALIFORNIA


SUBJECT: Results of Random Post-Payment Review for Travel
Reengineering Test Site, Naval Post-Graduate School,
Monterey, CA

The attached report provides an evaluation of the results of the random post-payment reviews of temporary duty travel (TDY) claims processed by the travel reengineering test site at the Personnel Support Detachment (PSD), Monterey, California. My Statistical Operations Division, Disbursing and Cash Management Office conducted the reviews and analysis for the period October through December 1999.

The accuracy of TDY travel payments at the PSD, Monterey, remain constant for previous quarter at 99.3 percent. Furthermore, the monetary claims accuracy was 82 percent during this period. The travelers, Authorizing Officials, and PSD personnel continue to show diligence and expertise on settling TDY travel claims. Details of the review are contained in the attachment.

Finally, we would like to extend our thanks to the personnel at the PSD, Monterey, who have assisted my staff and worked several issues to make the reviews successful.

Please direct questions or comments regarding this evaluation to Lieutenant Colonel Michael Kantaris at (816) 926-5677 or DSN 465-5677.


Gregory P. Bitz
Director for Finance

Attachment:
As stated

cc: ASN(FM&C)
OIC, PSD, Monterey, CA

PSD, Monterey, California
October - December 1999 Review

Introduction. As part of the Department of Defense (DoD) Random Audit Program initiatives, post-payment reviews of travel claims are required at travel reengineering test sites. Monthly post-payment reviews of temporary duty (TDY) travel claims, reported quarterly, will be performed on those designated test sites. This report encompasses the fourth quarter, calendar year 1999, post-payment review of the TDY travel claims from the PSD, Monterey.

Objectives. The objectives of the review are to evaluate the accuracy, effectiveness, and efficiency of the entire travel reengineering process. It is a quality assurance review that encompasses the accuracy of the facts and supporting information in the trip record, the verification of the accuracy of the computations, and the legality of the disbursement.

Background. The PSD, Monterey processed 819 TDY travel claims, subject to travel reengineering post-payment review, during this period. The Disbursing and Cash Management Office, Statistical Operations Division (DCMO/DC) randomly selected 199 vouchers for review and reviewed 165 of the claims. The difference of 34 reflects the number of travel claims where a complete package was not initially received. A complete package includes a trip authorization, a completed trip record, and any applicable receipts for lodging and/or reimbursables greater than \$75. Incomplete packages continue to be pursued and data updated even after the report is completed. There were 20 TDY vouchers with a value greater than \$2500 during this period. TDY vouchers greater than \$2500 are subject to a 100 percent review, while those less than \$2500 are subjected to a random sampling selection process. Data for all vouchers were "rolled-up" into one report vice being listed separately.

Scope. The primary focus of the review is to ensure compliance with the DoD Financial Management Regulation, Joint Travel Regulation (JTR), and Joint Federal Travel Regulation (JFTR), Appendix O.

Summary of Monetary Results

The monetary claims accuracy rate was 82 percent with 30 of the 165 vouchers containing an overpayment or underpayment during the quarter. This represents a 5 percent decrease in accuracy over the previous quarter. The monthly monetary claims accuracy

rates varied from 77 to 89 percent. While the dollar value of these errors ranged from less than \$1 to more than \$439, slightly greater than one-fourth of the monetary errors were less than \$10. Conversely, 20 percent or 6 of the monetary errors were greater than \$100. This was twice as many over the previous report. The cumulative dollar value of the mispayments for this quarter was \$1,875, a 10 percent increase in mispayments from the third quarter. The overall payment accuracy rate was 99.1 percent during the fourth quarter. Of the \$1,875 in mispayments \$1,679 were overpayments and \$196 were underpayments. The mean values for an overpayment and underpayment were \$73 and \$24, respectively. A total of 15 overpayment and 6 underpayment letters were issued. Per current regulations, a letter was issued to those travelers with an overpayment or underpayment of greater than \$10 in his or her claim. The PSD, Monterey is responsible for collecting all overpayments greater than \$10 and assists with filing supplemental claims for those determined underpaid.

Summary of Errors Being Made

Monetary errors were analyzed from a couple of different points of view. The first point of view was to place responsibility for the error being made. Was the error caused by the traveler and authorizing official (AO) or was it caused by some other source like the Travel Manager Plus (TMP) software? Sometimes it was difficult to determine whether the traveler input the wrong information or the software had incorrect algorithms or tables. From our analysis of the vouchers in error, about 90 percent of the errors can be attributed to the traveler and AO. Most of the errors occurred when the traveler input lodging or rental car amounts that differed from the receipts, did not use the Defense Travel Table of Official Distances (DTOD) for mileage, or chose the wrong per diem rate in the system. AOs were also culpable since they are tasked with verifying the information in the claim and certifying that it is correct. Of special note regarding travelers misusing the DTOD when he/she is authorized to drive private automobile vice using a government travel request (GTR), reengineering test sites are not supposed to be using TMP on these types of vouchers. Instead, TDY vouchers with a privately owned vehicle (POV) authorized are supposed to have individual orders and not TMP generated orders. This stipulation was published to all reengineering test sites by DFAS in April 1997, August 1998, and November 1999. While 90 percent of the errors can be attributed to the traveler/AO, the other 10 percent involve various sources to include systems

computations, per diem tables, and undeterminable reasons. Some of these "undeterminable reasons" could have been caused by the

traveler/AO as well, but from what the examiners saw on the voucher, no source could be attributed. The second point of view was analyzing monetary errors from the different categories of errors being made. From this point of view, slightly more than two-fifths of all monetary errors continuing to be made involved the Miscellaneous and Incidental Expenses (M&IE) portion of per diem. Incorrect voucher preparation, reimburseables not claimed properly, incorrect mileage amounts, and lodging receipts not matching claims accounted for about 54 percent of all monetary errors. The remaining few monetary errors involve undeterminable sources. Claims accuracy rates vary greatly during this quarter. The overall claims accuracy rate was about 72 percent. The range of values for claim accuracy was from 67 percent to 81 percent. The claims accuracy rate includes all monetary errors and those errors that do not involve a mispayment. Errors not involving a mispayment, for example, include those where AOs do not approve certain items in the pretrip authorization. These types of errors are considered administrative in nature. Furthermore, other common examples of administrative errors include modifications made after the trip has been completed vice before it commenced. Things like allowing privately owned vehicle (POV) and actual expenses fall into this category. However, without the modifications, the administrative error would have been a monetary error; consequently, extra work needs to transpire to "fix" the discrepancy so that it is not monetary in nature.

Conclusions. With an overall payment accuracy rate of 99.3 percent for the quarter, the "system" appears to be computing TDY travel claims with reasonable accuracy and consistency compared to the previous quarterly report. As they were discovered, several traveler errors were identified and corrected with the help of the PSD, Monterey. Clarification was also given as to what types of TDY vouchers could not be processed using the TMP software. This clarification has prevented some of the errors attributed to the software like leave in conjunction with TDY and permissive TDY orders. On the other hand, a few travelers and AOs continue to be careless in completing and certifying travel claims. Choosing the wrong locale for TDY, not matching the receipt with the claimed amount, and not claiming lodging taxes are all examples of monetary mistakes travelers and AOs could have prevented. Furthermore, a few travelers continue to not provide requested receipts as evidenced by the 20 percent of receipts we did not get for the month of December. However, overall the travelers, authorizing officials, and travel systems administrators at Naval Post-Graduate School (PSD), Monterey are doing an excellent job

conforming to Appendix O of the Joint Federal Travel Regulations (JFTR).

Recommendations:

1. That the PSD Monterey OIC continue to inform and involve the Command concerning the performance of its TDY travelers.
2. That travelers/AOs continue on-going training about the travel reengineering process and the settlement of TDY travel claims.
3. That travelers provide receipts as requested.